Hon'ble Mr. Justice J. K. Mathur, Judge, High Court of Allahabad—Member.

Shri N. N. Vohra, Secretary, Department of Justice—Member.

Shri N. R. Ranganathan, Secretary, Ministry of Personnel, Public Grievances and Pensions—Member.

Shri K. Venkatesan, Secretary, Department of Expenditure, Ministry of Finance—Member.

Shri M. S. A. Siddiqui, Registrar General, Supreme Court of India—Convener.

Second Meeting: The second meeting was held on 13th August, 1993 at 5.00 p.m. in the Judges' Lounge in Supreme Court of India, New Delhi. The following members were present:

Hon'ble the Chief Justice of India.

Hon'ble Mr. Justice S. R. Pandian.

Hon'ble Mr. Justice S. C. Agarwal.

Hon'ble Mr. Justice M. K. Mukherjee.

Hon'ble Mr. Justice J. K. Mathur.

Dr. P. C. Rao, Secretary, Department of Legal Affairs.

Shri K. Venkatesan, Secretary, Department of Expenditure Ministry of Finance.

Prof. N. R. Madhava Menon, Director, National Law School of India, University of Bangalore.

Shri M.S.A. Siddiqui, Registrar General, Supreme Court of India.

Merger of Lipton and Brooke Bond

3184. MAULANA OBAIDULLAH KHAN AZMI: Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that Lipton and Brooke Bond companies have merged with each other;

(b) if so, what are the details thereof; and the terms and conditions worked out by them;

(c) whether Government's prior approval/permission was obtained;

(d) if so, under what provision of the Law;

(e) whether the merger will encourage monopolistic tendencies and will hurt other competitors as well as consumers; and

(f) if so, the details thereof and Government's reaction thereto and the steps Government propose to take to put a check on such tendencies of big companies?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. BHARDWAJ): (a) to (d) Yes, Sir.

(e) and (f) The mergers/amalgamation of Companies require the approval of the respective High Courts under Section 391|394 of the Companies Act, 1956. Sections 23 and 24 of the M.R.T.P. Act, The amalgamation of Lipton Limited with Brooke Bond India Limited under Section 391/394 of the Companies Act, 1956 was approved on 15-12-1993 by Hon'ble High Court at Calcutta. As per scheme of amalgamation, the same is effective from 1-7-1993 and the transferee company shall allot to the shareholders of Lipton India Limited 9 equity shares of Rs. 10/- each of M/s. Brooke Bond India Limited as fully paid up for every 10 equity shares of Rs. 10/- each held by them in Lipton India Limited. The approval of the Central Government for amalgamation is not required under the Companies Act, 1969, have been omitted by the M.R.T.P. (Amendment) Act, 1991, with effect from 27-9-1991. The M.R.T.P. Commission is, however, empowered to look into the allegations relating to the monopolistic restrictive and unfair trade practices under he provisions of the said Act.

Merger of Hindustan Lever Ltd. and TOMCO

3185. MAULANA OBAIDULLAH KHAN AZMI: Will the PRIME MINISTER be pleased to state :

(a) whether Government are aware about the merger of Hindustan Lever Ltd. and TOMCO, a TATA group company;

(b) if so, what are the details thereof;

(c) whether Government are also aware of the wide-spread allegations that the merger is not in order, is in violation of the various provisions of the companies Act and other relevant laws and regulations viz. transfer of shares, capital, equity, payment of dividends, interest of workers and investors thereby attracting various provisions of the M.R.T.P. Act;

(d) whether it is a fact that outside pressure was exerted on Hindustan Lever Ltd. to take over the sick/loss-making TOMCO;

(e) whether Government would withhold its clearance to the merger and order an enquiry by an appropriate authority to investigate the matter; and

(f) if so, the details thereof and if not the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. BHARDAWJ): (a) to (f). The scheme of amalgamation of the Tata Oil Mills Limited (TOMCO) with Hindustan Lever Limited (HLL) provided for transfer of the undertaking of TOMCO alongwith its assets and liabilities with effect from 1st April, 1993 to HLL; as a consideration for transfer, the shareholders of TOMCO will receive from HLL two equity shares of Rs. 10/- each for every fifteen ordinary shares of Rs. 10/- each held by them in TOMCO; HLL shall have a right to use the trade marks and brand names of TOMCO and its associate companies products except the words "Tata", "TOMCO", "Tata", etc.; allotment of 29,84,347 equity shares of Rs. 10/- each at premium of Rs. 95 per share to Unilever Plc (UK) to maintain its shareholding of 51 per cent. The petition under Sections 391/394 of the Companies Act, 1956 was filed by both the companies before Honble Court at Bombay seeking sanction of the Court to the scheme of amalgamation, which was opposed by some of shareholders and wokmen. A notice of the petition was served on the Central Government under Section 394A of the Companies Act, 1956 and a representation was made requesting the Court to consider *inter-alia* the perferential allotment to Unilever Plc at a low price, for appointment of an eminent chartered accountant for fixation of exchange ratio; shares of dissenting shareholders be taken over by the management or other shareholders as the case may be. The Director-General of Investigation and Registration filed an application under Section 10(a)(iii) and 10(b) of the M.R.T.P. Act, 1969 for an enquiry by M.R.T.P. Commission and the matter is sub-judice before the Commission. This fact was also brought to the notice of the Court.

The scheme of amalgamation has been sanctioned by the Court on 3rd March, 1994, subject to certain conditions.

The approval of the Central Government is not required for merger/amalgamation which only requires the approval of the High Court under Sections 391/394 of the Companies Act, 1956. Sections 23 and 24 of the M.R.T.P. Act, 1969 have been omitted by the M.R.T.P. (Amendment) Act, 1991 with effect from 27-9-1991. The 1991, with effect from 27-9-1991. The M.R.T.P. Commission is, however, empowered to look into the allegations relating to the monopolisic and restrictive trade practices under the provisions of the said Act.

न्यायिक प्रणाली को सरल बनाया जाना

†3186. **श्री राम नरेश यादव :** क्या **प्रधान** मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार ग्रामीण आबादी की सुविधा के लिए न्यायिक प्रणाली को सरल बनाने हेतु कोई सुधारात्मक कदम उठाने पर विचार कर रही है;

(ख) यदि हां, तो कौन से कारगर कदम उठाए जाने की संभावना है; और